

FISCAL PROCEDURES APPROVED
ROBERT E. BYRD, Auditor-Controller

BY *Samuel Wong* 6/24/08
SAMUEL WONG Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

988



SUBMITTAL DATE:
June 4, 2008

FROM: Department of Facilities Management

SUBJECT: Lease Cancellation Agreement – Moreno Valley

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached Lease Cancellation Agreement and authorize the Chairman of the Board to execute the same on behalf of the County; and
2. Authorize the Auditor-Controller to adjust the FY 2007/08 budget for Facilities Management as set out in Schedule A.

BACKGROUND: (Commences on Page 2)

Robert Field, Director
Department of Facilities Management

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 225,000	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 225,000	Budget Adjustment:	Yes
	Annual Net County Cost:	\$ -0-	For Fiscal Year:	07/08

SOURCE OF FUNDS: General Fund Contingency	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input checked="" type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY *Jennifer L. Sargent*
Jennifer L. Sargent

County Executive Office Signature

Policy

Consent

Dep't Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: 07/11/06, #3.44; District: 5 Agenda Number:
07/03/07, #3.13

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.40

FORM APPROVED COUNTY COUNSEL
BY: *Gordon V. Woo* 6/16/08
GORDON V. WOO DATE

Department of Facilities Management
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BACKGROUND: On July 3, 2007, the county entered into a lease agreement with Bel Air Plaza, L.P., for a 29,356 square foot Probation Department office to be located in Moreno Valley.

After site and lease approval and execution, concerns were raised related to the proximity of the new Probation Office to other governmental offices which provide services deemed incompatible with a probation office. The project was then halted, and the County and Lessor mutually agreed to cancel the lease.

In order to effect a lease cancellation, a cancellation consideration amount based on a portion of the total architecture and engineering expenses incurred has been requested by the Lessor and deemed equitable by the Department of Facilities Management and County Counsel. This Cancellation Agreement provides for an entire release of any and all liability and obligations related to this Lease.

Schedule A

Increase appropriations:

10000-7200400000-527780 – Special Program Expense ✓ \$225,000

Decrease appropriations:

10000-1109000000-581000 – Appropriations for contingency ✓ \$225,000